Testimony prepared for the New York State Legislature's Joint Hearing on the New York Health Act

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My name is Osman Ahmed and I am a Senior Policy Analyst at FPWA (the Federation of Protestant Welfare Agencies). I want to start by thanking the members of the Senate and Assembly for the opportunity to testify before you today on the issue of single payer health care in New York, a topic that deeply impacts the state and nation overall. We strongly support the advancement of this bill, which would make a clear statement of New York's deep commitment to quality, affordable, and comprehensive health care for all New Yorkers.

FPWA is an anti-poverty, policy, and advocacy nonprofit with a membership network of nearly 170 human service and faith-based organizations. FPWA has been a prominent force in New York City's social services system for over 95 years, advocating for fair public policies, collaborating with partner agencies, and growing its community-based membership and coalition networks to meet the needs of all New Yorkers. Each year, through our network of member agencies, FPWA reaches close to 1.5 million New Yorkers.

FPWA is also a steering committee member of the New York Caring Majority, a statewide coalition of older adults, people with disabilities, family caregivers, domestic workers, and home care workers working to make long-term care services and supports affordable and accessible to all who need it and to invest in our direct care workforce.

We at FPWA, along with our member agencies, believe that true economic equity can only be realized through a system that eliminates the disparities that create and perpetuate poverty while equipping and empowering people to sustain themselves, their families and their communities. To that end, we work with our member agencies on creating policy change that address the factors that contribute to economic inequity. This includes addressing health disparities among vulnerable populations, targeting the drivers that feed into the continuation of epidemics like HIV/AIDS, and promoting access to public programs that can improve population health.

Between federal threats to the Affordable Care Act, proposed changes to public charge and other rule changes and executive orders designed to frighten immigrant communities away from benefits they are eligible for, and discriminatory threats to LGBTQ+ and other marginalized people, the last few years have seen numerous attacks on our public programs and the communities who use them. The federal government has increasingly utilized rhetoric, and later policy, laced with xenophobia that villainized poverty and programs that promote health equity for all.

These unprecedented attacks on our existing healthcare system have eroded an already flawed system. The greatest deterioration in the quality and comprehensiveness of coverage has occurred among people in employer plans. Businesses have been trying to curb premium increases by asking workers to bear more of their health costs through higher deductibles. Meanwhile, health care costs are growing faster than workers' wages[1]. Research has shown that over a quarter of all working-age adults with job-based coverage or insurance through the Marketplace have such high out-of-pocket costs and

[1] 2019 Employer Health Survey. (September 25, 2019). Kaiser Family Foundation. Retrieved from: https://www.kff.org/report-section/ehbs-2019-summary-of-findings/

deductibles that they are effectively underinsured. More than half of the underinsured had medical bill problems, and 45% went without needed care due to cost[2].

This has a particular impact on nonprofit human service providers who serve vulnerable New Yorkers every day: the resources they can allocate towards employee coverage doesn't guarantee the full coverage their employees need. With two-thirds of nonprofits having fewer than 50 employees, ACA mandates in coverage often do not apply. Among nonprofits with fewer than 50 workers, only 47% provided health insurance to their employees[3]. Human service providers often have to balance providing for the communities they serve with the benefits that they're able to offer their employees, due to the high cost of health insurance policies and the underfunding of government contracts for services. The increasingly high cost of health care coverage puts many communities in the position of putting their limited incomes either towards health care or towards other essential needs, such as housing, food, transportation, and education. Over 40% of our member agencies highlight health care as one of the top challenges to achieving economic equity.

While the booming population of older adults nationwide is a testament to improvements in medicine and the quality of life, it also presents challenges for our health care system. As the population of older adults in the United States rises, so does the need for caregiving and an improved system of providing long-term care services and supports—seven out of ten people over the age of 65 will require some form of long-term care support[4]. There are 3.2 million people 65 and older in New York State where the average annual cost for a private room in a nursing home is $141,785,[5] the cost for an around-the-clock aide is more than $100,000, and the cost to attend an adult day center is $22,104[6]. Because the cost of long-term care is astronomical, most New Yorkers cannot afford to privately pay for long-term care services and supports for very long.

Caregiving is then often left to family members and loved ones, which takes a financial and emotional toll. In New York alone, approximately 2.58 million unpaid family caregivers provide 2.4 billion hours of care annually[7]. This burden is distributed inequitably. Two-thirds of the caregivers are women. On average, African-American caregivers spent 34 percent of their annual income providing caregiving services. Hispanic and Latino family caregivers spent 44 percent[8]. Many have to take time off work to provide this care. This results in lost compensation in salary, promotions, pensions, and social security earnings. This lack of funding and support for those living with long term care needs, and the paid and

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[2] 2019 Employer Health Survey. (September 25, 2019). Kaiser Family Foundation. Retrieved from: https://www.kff.org/report-section/ehbs-2019-summary-of-findings/

[3] Gordon, L. (2019). Here's What Every Nonprofit Should Know About Offering Health Insurance. 501(c) Services. Retrieved from: https://www.501c.com/heres-what-every-nonprofit-should-know-about-offering-health-insurance/

[4] How Much Care Will You Need? Long Term Care. U.S. Department of Health and Human Services. Retrieved from: https://longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html

[5] Department of Health. (n.d.). Retrieved from: https://www.health.ny.gov/facilities/nursing/estimated_average_rates.htm.

[6] Cost of Care, New York – State. (October 10, 2019). Genworth Financial. Retrieved from: https://www.genworth.com/bin/gnw-redesign/costofcare

[7] Reinhard, S., Feinberg, L., Coula, R., Houser, A. (July, 2015). Valuing the Invaluable: 2015 Update. AARP. Retrieved from: https://www.aarp.org/content/dam/aarp/ppi/2015/valuing-the-invaluable-2015-update-new.pdf

[8] Rainville, C., Skufca, L., Mehegan, L. (November, 2016). Family Caregivers Cost Survey: What They Spend & What They Sacrifice. AARP Research. Retrieved from: https://www.aarp.org/content/dam/aarp/ppi/2015/valuing-the-invaluable-2015-update-new.pdf

unpaid caregivers who support these individuals, is an equity issue that desperately needs to be addressed.

The expansions in access to health care that the Affordable Care Act ushered in brought health coverage to millions who could not otherwise access the care they need to live their lives. But this access has not created the coverage we need to realize true universal and comprehensive health coverage. Those who do not qualify for Medicaid or the Essential Plan must often rely on Marketplace coverage with high deductibles and premiums, or on employer-based coverage that similarly does not cover their needs. Long-term care services and supports are not comprehensively covered until one's health (and finances) have deteriorated enough to require nursing home care which is covered by Medicaid. Current health care systems are not equitably accessible to low-income people, people of color, and immigrants causing disparate health outcomes as a result. For instance, at least 548,025 immigrant New Yorkers[9] statewide currently lack health insurance and are not eligible for Medicaid or Essential Plan coverage. Discriminatory rhetoric and policymaking targeted at immigrants, communities of color, and LGBTQ clients contribute to deepening inequities in health outcomes.

There is a solution - the passage of the New York Health Act (NYHA), which would create a single payer health care system for New York State. This would provide universal comprehensive health coverage for every New Yorker. Using a progressive tax model based on ability to pay, NYHA would cover more clients and provide more medically-necessary services, including long-term care services and supports. This taxation would not represent billions in entirely new funding needed to run New York Health — rather, it replaces the billions in private insurance premiums, out-of-pocket spending, Medicare Part B premiums, and local Medicaid costs that currently provide noncomprehensive and inequitable access to health services and coverage.

Through the New York Health Act, New York State would cover everyone who currently does not have insurance as well as those who are underinsured, and it cover more services than are currently covered under our health insurance landscape, while streamlining many of the inefficiencies that plague the process of actually providing care. For instance, through this process, the New York Health Act would allow nonprofit providers to focus on the important work that drives their missions rather than seeing precious resources siphoned into covering their employees' health care costs. Additionally, more people will have a stronger health system with the same — or better — care as they do now. The New York Health Act would finally provide a robust and comprehensive approach to long-term care needs, addressing a gulf in patient care access. Finally, with no administrative or health care provider costs associated with insurance, New York Health Act would save billions and promote a more equitable New York.

FPWA thanks Assembly member Gottfried, state Senator Gustavo, and other members of the New York State Legislature for their unwavering advocacy in support of this bill. We can and must take this opportunity to show our commitment to health care for every New Yorker.

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[9] Data Access and Dissemination Systems (DADS). (2010, October 5). American FactFinder - Results. Retrieved from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5YR_S2701&prodType=table.

Again, we thank the members of the state Senate and Assembly for the opportunity to testify on this powerful issue. We urge everyone to learn more about New York Health Act and we urge you to support this bill. We look forward to the continued opportunity to work with partners here and around the state to ensure everyone have the chance to live healthier lives.